

**REMARKS/ARGUMENTS**

Favorable consideration of this application is respectfully requested. Applicant has amended claims 34, 37, 39, 40, 42, 45, 46, 51, 52, 54, 55, 58, 59, and 61, and added claims 62, 63 and 64 to clarify the subject matter Applicant regards as the invention process. The amendments do NOT raise any new matter since the original application has support for the claims. Favorable reconsideration of this application is, consequently, earnestly solicited in view of the following remarks.

Claims 34-61 were rejected under sec. 102e as being anticipated by Cooper Patent Application Publication 2004/0139019 which is based on a parent patent application filed August 25, 2000, which is the effective date. Applicant has included with this office action response an affidavit by co-inventor Michael Battaglini under sec. 131 and the subject patent application patent attorney under sec. 131. The subject patent application is based on a provisional patent application that was filed on September 26, 2000. The attached affidavits provide evidence that the subject invention was conceived prior to the August 25, 2000 effective date of the Cooper publication. As such, the Cooper reference is not available as prior art against the subject invention. Thus, removal of the Cooper reference is respectfully requested.

In addition, favorable reconsideration is respectfully and earnestly solicited in view of the following Remarks and Arguments relative to the substantive aspects of anticipation in which respect Applicant further submits that the subject patent claims were not anticipated by Cooper and submits the following in furtherance of Applicant's legal position relative to its process invention with emphasis added where deemed appropriate.

Applicant further incorporates by reference the Affidavits filed in a previous response and the uniqueness set forth therein and respectfully requests the Examiner to ignore the claims numbers cited therein since the amended claims are differently numbered, though the substantive distinctions referred to in the affidavits apply also to the Cooper reference.

Applicant also includes Exhibit "L," attached hereto, made a part hereof and incorporated by reference, which provides a "Detailed Analysis of the Cooper Process Referred to in the Examiner's Rejection."

The subject application claims were rejected as being "anticipated" by Cooper (U.S. Pg Pub. No. 2004/0139019 A1) pursuant to 35 U.S.C. 102(e) which provides that "A person shall be entitled to a patent unless (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the Applicant for patent..."

Applicant acknowledges that to meet the novelty requirement for the validity of a patent, that the Applicant's invention must have occurred before "anticipation" by prior art or reference.

Applicant further acknowledges that if before the Applicant's invention, an invention was described in a printed publication, it has been anticipated by the prior art and that if an invention is anticipated, it does not meet the test of novelty.

However, anticipation has been declared to be "a narrow and technical doctrine," *Harig Products, Inc. V. K. O. Lee Co.*, 195 U.S.P.Q. (BNA) 292, 1977 WL 22712 (N.D. Ill. 1977), *aff'd and adopted*, 594 F.2d 609 (7<sup>th</sup> Cir. 1979), and that "Patent invalidity based on lack of novelty or 'anticipation' requires that the same invention, including each element and limitation of claims, was known or used by others before it was invented by the patentee." *Hoover Group,*

Inc. V. Custom Metalcraft, Inc., 66 F3d 299 (Fed. Cir. 1995), reh'g denied, in banc suggestion declined, (Oct. 27, 1995). "Moreover, those elements or their equivalents must function in substantially the same way to produce substantially the same result." Canron, Inc. V. Plasser American Corp., 609 F2d 1075 (4<sup>th</sup> Cir. 1979).

Applicant respectfully submits that Cooper does not disclose "the same invention," does not disclose "each element and limitation of claims," does not "function in substantially the same way," and does not "produce substantially the same result" as the claimed invention.

Cooper discloses a complex series of communications, user performance steps, and process elements, which ultimately result in access to cash from an ATM in the method's network.

Applicant's invention claims computer process elements which, during one data communication from the sender, utilizes a fully automated method of sequential elements to receive cash from the sender's credit card or debit card account, virtually simultaneously transferring the cash to a recipient's pre-possessed magnetic stripe card account with a pre-assigned PIN number, which may include a national bank escrow account accessible with the invention's Cash Card (which account does not depend upon the solvency of the invention's service provider) and which provides for virtually simultaneous pay-out to the recipient at virtually any ATM or POS terminal. The Applicant's claims provide an easier, more efficient, less expensive, faster and more convenient process for both the sender and the recipient.

Applicant respectfully submits that Cooper does not anticipate the same invention, including each element and limitation of claims, that the Cooper elements do not function in substantially the same way and that Cooper does not produce substantially the same result of a virtually simultaneous pay out of transferred cash and ATM surcharge fees from virtually any ATM.

Therefore, Applicant respectfully submits that the claimed invention process is not anticipated by Cooper and respectfully requests that the section 102e anticipation rejection be removed.

In addition, it has been summarily stated that: "A prior art 'reference' is a...publication cited to show that all... of the invention for which a patent is sought was in prior art... before the applicant's date of invention," application of Stempel, 241 F.2d 755 (C.C.P.A. 1957) and that "anticipation is established only when a single prior art reference discloses... each and every element of the claimed invention." R.C.A. Corp. V. Applied Digital Data Systems, Inc., 730 F2d 1440 (Fed. Cir. 1984), cert. Dismissed, 468 U.S. 1228, 105 S. Ct. 32 (1984).

Therefore "The prior knowledge or use must be of a complete and operative device," Connecticut Valley Enterprises, Inc. V. U.S., 172 Ct. Cl. 468, 348 F2d 949 (1965), and, "A reference is good only for what it clearly and definitely discloses." Application of Hughes, 345 F.2d 184 (C.C.P.A. 1965), so that "An existing patent which does not bear within its four corners adequate directions for the practice of the patent in suit is not in anticipation of it." Rich Products Corp. V. Mitchell Foods, Inc., 357 F2d 176 (2d Cir. 1966).

The U. S. Supreme Court, in a historic and yet applicable legal opinion, stated that: "Anticipation is not established where a subsequent mechanism or device is substantially different in construction, function, use or operation from a preceding one." Fuller v. Yentzer, 94 U.S. 299, 24 L. Ed. 107 (1876); Rosemount, Inc. V. Beckman Instruments, Inc., 727 F2d 1540

(Fed. Cir. 1984). Therefore, even "A prior art reference disclosing elements A, B, C, and D does not anticipate a claimed combination of elements A, C, B, D, and E." *Helene Curtis Industries v. Sales Affiliates*, 233 F.2d 148 (2d Cir. 1956). Moreover, "A claimed combination ABCD may also be novel if the old elements are combined in such a way that an improved, useful, and more advantageous innovation is obtained," *White Consol. Industries, Inc. V. Vega Servo-Control, Inc.*, 213 U.S.P.Q. (BNA) 796, 1982 WL 62799 (E.D. Mich. 1982), *affd*, 713 F.2d 788 (Fed. Cir. 1983), [even] "such as by repositioning one of the elements in the combination." *Mott Corp. V. Sunflower Industries, Inc.*, 314 F.2d 872 (10<sup>th</sup> Cir. 1963). Applicant respectfully submits that its claims are substantially different in construction, function, use and operation from the Cooper art reference so that its process is not anticipated by Cooper.

"To anticipate a combination, a prior art reference must disclose all the elements of the claimed combination, or their mechanical equivalents, functioning in substantially the same way to produce the same result." *Palmer v. U. S.*, 191 Ct. Cl. 346, 423 F.2d 316 (1970), and, a prior patent is to be measured as anticipatory by what it clearly and definitely discloses, not by what might be made of it." *McCullough Tool Co. V. Well Surveys, Inc.*, 343 F.2d 381 (10<sup>th</sup> Cir. 1965).

Furthermore, the U. S. Supreme Court has further distinguished a mechanical patent from a process patent by stating that "Although a mechanical patent is anticipated by a prior device of like construction and capable of performing the same function, a process patent can only be anticipated by a similar process." *Carnegie Steel Co. V. Cambria Iron Co.*, 185 U.S. 403, 22 S. Ct. 698, 46 L. Ed. 968 (1902).

Cooper teaches a computer implemented process requiring a sequential series of communications with both the sender and the recipient. During the process, the recipient obtains a "CONFIGURED" COMPUTER READABLE MEDIUM. The method requires transaction assigned and communicated security data, "ACTIVATION" OF THE MEDIUM, "merging" of data [within] the process elements which results in pay out "AUTHORIZATION" TO THE METHOD'S ATM "NETWORK". The recipient must present the obtained and "configured" medium to an ATM, or other cash dispersion device, within the method's "NETWORK", that will act upon the method's "ACTIVATION" of the process's "CONFIGURED" medium, the transaction assigned and communicated security data, and the "AUTHORIZATION" to pay out cash given to ATMs WITHIN THE METHOD'S "NETWORK"."

Applicant respectfully submits that claims 34, 35-61 and new claims 62-64, describe an easier to use and more efficient computer implemented process which requires only one data communication from a sender to implement the method's fully automated sequence of specific electronic structure "process elements."

DURING the sender's one communication, the subject invention's process virtually simultaneously receives cash from the sender's credit card or debit card, and transfers, by "split-deposit," the system's fee to an income account, and the recipient's amount, plus a reserve for a possible ATM surcharge, to the recipient's pre-possessed magnetic stripe card account with a pre-assigned PIN number. This transfer may be to the process's safe national bank escrow account, accessible to a recipient with the process's escrow account "cash card" (which account and pay-out does not depend upon the solvency of the method's service provider). Alternatively, the transfer may be made to the recipient's personal credit card or debit card. The process is not

limited to a process controlled network so that the recipient's cash is accessible virtually simultaneously from virtually any common ATM or POS terminal.

Applicant respectfully submits that the Cooper process does not teach, describe or suggest the subject invention's process, that Cooper is not "a similar process" and that it therefore does not anticipate the subject invention's process in view of the law set forth by the U. S. Supreme Court in the Carnegie case cited above, which clearly states that "a process patent can only be anticipated by a similar process." Applicant therefore respectfully requests that the 102e anticipation rejection be removed.

The Cooper patent does not describe your Applicant's claims. It uses some of the same or similar elements as do all business process inventions patented, but your Applicant's process gathers and processes almost entirely different information to attain a different series of events and ultimately a different result – payout at any ATM with a magnetic stripe card and preassigned PIN.

A U. S. Circuit Court case summarized the criteria for anticipation as follows: "To overcome the defense of anticipation, it is ONLY necessary to show SOME tangible difference between the invention and the prior art, because there is NO anticipation unless ALL of the SAME ELEMENTS are found in EXACTLY the same situation and UNITED in the SAME way to perform the IDENTICAL FUNCTION in a single prior art reference." Del Mar Engineering Laboratories v. Physio-Tronics, Inc., 642 F.2d 1167 (9<sup>th</sup> Cir. 1981).

Applicant submits that there is tangible difference between the invention claimed and the Cooper reference and that the same elements are not found in exactly the same situation and are not united in the same way and do not perform the identical function so that Applicant's claims are not anticipated by Cooper.

The law relative to anticipation of computer implemented PROCESS CLAIMS was set forth by the U. S. Court of Appeals in a case, In Re Lowry, later cited by other courts to be authoritative. In the case of In Re Lowry, 32F.3d 1579 (Fed. Cir. 1994), the court ruled that process claims utilizing a computer were not disclosed, anticipated or made obvious by prior art which did not contain ALL of the limitations of the Applicant's claims.

The court stated that the claims dictate how application programs manage information and define functional characteristics and must be granted a patent if the prior art does not contain ALL limitations of the Applicant's claims.

The court ruled "that stored data does not adopt physical 'structure' per se, but exists as a collection of bits having information about relationships [which] is the essence of electronic structure. The computer is structurally the same, but its memory elements are differently arranged. And, if a machine is programmed in a certain new and unobvious way, it is physically different from the machine without that program. The fact that these physical changes are invisible to the eye should not tempt us to conclude that the machine has not been changed."

The court also stated that "The burden of establishing the absence of a novel, nonobvious functional relationship rests with the PTO. If examination at the initial stage does not produce a *prima facie* case of unpatentability, then WITHOUT MORE the Applicant is ENTITLED to the grant of the patent."

The PTO Board found that Lowry claims 20-29 "which describe methods of performing data management operations with respect to the claimed data structure" were anticipated by the

prior Kumpati patent. The Lowry claims managed data in a different manner than was disclosed in the prior patent. The court stated that the claimed invention's process, with "specific electronic structure elements, impart a physical organization of the information and that data structures impose a physical organization on the data." The U. S. District Court of Appeals found that the Lowry process involved "an organization of information and its interrelationships," which the prior Kumpati patent neither discloses nor suggests. And, that because Kumpati does not contain all limitations of Lowry's claims 20-29 that the Appeals Board erred in holding these claims anticipated by Kumpati and, therefore, the Court reversed the Section 102e anticipation rejection.

Applicant respectfully submits that the "specific electronic structure elements, ...physical organization of the ...data" and the "organization of information and its interrelationships" described in claims 34 and 61 are neither disclosed nor suggested in Cooper. Therefore, Applicant respectfully requests removal of the Section 102e anticipation rejection.

Applicant further submits that in addition to non-anticipation by Cooper in view of the subject invention's transfer process elements as pointed out above, that Cooper does not teach, describe, or suggest, and therefore does not anticipate any of the subject invention's following claims limitations wherein:

35. The communication medium is a touch-tone phone.
36. The recipient's cash to be in multiples of \$20.00.
37. Automated computation of transfer fee.
38. Automated communication of transfer fee to sender.
39. Sender's authorization of cash transfer and fee.
40. Sender enters sender's credit card or debit card account numbers which are processed through the medium associated with the card.
41. Sender enters recipient's [pre-possessed] magnetic stripe card number.
42. Transfer is processed without any pre-established account link between the sender and the recipient.
43. The process takes monies from the sender's funds and split-deposits the transfer, plus a reserve for a possible terminal surcharge, to the recipient card account and the balance to an income account.
45. Recipient retrieves cash by entering the recipient card and the card's PIN number.
46. Virtually simultaneous ATM pay-out, including any ATM surcharge.
47. Any excess surcharge reserve is transferred to an income account.

48. The recipient utilizes magnetic stripe credit card and PIN number.
49. The recipient utilizes magnetic stripe debit card and PIN number.
50. The recipient utilizes magnetic stripe Cash Card and PIN number.
51. The transfer to process's Cash Card made to national bank escrow account.
52. Virtually simultaneous Cash Card transfer from escrow account to ATM account.
53. Recipient can select Cash Card PIN number and sender can change Cash Card PIN number to the recipient selected PIN number.
54. Cash Card with back side secondary use.
55. Foreign currency pay-out at exchange rate at time of pay-out.
57. Recipient conveys all transaction related information to the sender.
60. Sender can close cash card account and request refund of any amount remaining in the cash card account.
62. (New).  
The method of claim 42, wherein the IVR system processes the data in automated modes with software and converts the data to language of existing banks, processors, processing networks and clearing houses.
63. (New).  
The process of claim 61, wherein the IVR system processes the data in automated modes with software and converts the data to language of existing banks, processors, processing networks and clearing houses.
64. (New).  
The process of claim 61, wherein the recipient-card is solely the Cash Card, and the transfer is solely to the Cash Card.

Applicant respectfully submits that, as in Lowry, the subject process's specific electronic structure elements impart a physical organization of information, and that the process's data structures impose a physical organization of the data and create an organization of information and its interrelationships which Cooper neither discloses nor suggests.

Therefore, Applicant respectfully submits that pursuant to the law relating to anticipation as applied to process patents, as stated by the U. S. Supreme Court, other Federal Courts, and very clearly in Lowry, demonstrate that the subject invention's processes in claims 34, 35-43, 45-55, 57, 60-64 are not anticipated by the Cooper process and respectfully requests that the section 102e anticipation rejection be removed.

The U. S. Supreme Court recently stated that "...a patent composed of several elements is not proved obvious merely by demonstrating that each element was, independently, known in the prior art...because inventions rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known." The Supreme Court further stated that "[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead there must be some rational underpinning to support the legal conclusion of obviousness." *KSR Inter. Co. V. Teleflex Inc.*, 127 S. Ct. 1727 (2007).

Applicant submits that Cooper does not meet the U. S. Supreme Court test for "obviousness" and, by extension, Cooper does not "anticipate" the Applicant's invention.

In addition, Applicant respectfully submits that a section 102e rejection requires that a sufficient basis be provided to establish why the aforementioned limitations do not distinguish the claims in the subject invention's process from Cooper. Applicant respectfully submits that the Examiner has not pointed out where in Cooper are found EACH of the novel processes and EACH of the novel features in claims 35-61.

Applicant respectfully, but strongly, disagrees with the statements that "as per claims 35-61, they disclose the same inventive concept as claim 35 [sic] and their limitations do not further limit the scope of the invention..." (As noted by the Applicant's edit notation in the preceding sentence, Applicant respectfully submits that the Examiner intended to reference claim 34, not claim 35.) Therefore, this statement fails to point out where in Cooper are found EACH of the claimed limitations of subject claims 35-61.

There is no teaching, nor suggestion for modifying Cooper to include all the novel processes and features of the subject claims. Under well recognized rules of the MPEP (for example, section 706.02(j)), the teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438(Fed. Cir. 1991).

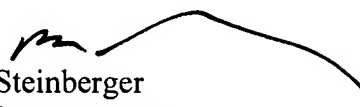
Applicant respectfully submits that the novel features of claims 34-61 are not found in Cooper. Under the MPEP rules, if the Applicant requests the Examiner cite the reference(s) and WHERE IN THE REFERENCE it supports a rejection, the Examiner must cite the reference or remove the rejection. Currently, the rejection of claims 34-61 is based upon unsubstantiated opinions and assertions that these processes are taught by Cooper. Applicant respectfully requests that the Examiner specifically point out where in Cooper the novel features of ALL the subject claims are described, taught or suggested. If actual references are not cited and supplied to the Applicant to show those presently unsubstantiated opinions and assertions relied upon in the rejection, the Applicant respectfully requests removal of the 102e anticipation rejection over Cooper for at least this reason alone.

Where a reference is relied on to support a rejection, whether or not in a minor capacity, that reference should be positively included in the statement of the rejection. See *In re Hock*, 428 F.2d 1341, 1342n.3 166 USPQ 406, 407 n. (CCPA 1970). Clearly, the rejection fails to point out

where in Cooper are found EACH OF THE CLAIMED PROCESSES AND FEATURES OF SUBJECT CLAIMS 34-61.

In view of the law applicable to process patents and the foregoing considerations, it is respectfully urged that claims 34-64 be allowed. Such action is respectfully requested. If the Examiner does not agree that the claims are allowable over Cooper, Applicant respectfully requests an interview with the Examiner and the Examiner's Supervisor. The Examiner is respectfully requested to contact the attorney at the below listed telephone number to schedule the interview.

Respectfully submitted,



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